
HOUSE BILL No. 1451

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3.1-33.

Synopsis: Income tax credit for new clean fuel vehicle. Provides a refundable adjusted gross income tax credit of \$750 for the purchase or lease of a new clean fuel vehicle if the vehicle is purchased in a retail transaction that occurs from July 1, 2009, through June 30, 2010.

Effective: July 1, 2009.

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January 13, 2009, read first time and referred to Committee on Commerce, Energy, Technology and Utilities.

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Introduced

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

HOUSE BILL No. 1451

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-3.1-33 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2009]:
4 **Chapter 33. Clean Fuel Vehicle Tax Credit**
5 **Sec. 1. As used in this chapter, "alternative fuel vehicle" has the**
6 **meaning set forth in IC 6-3.1-31.9.**
7 **Sec. 2. As used in this chapter, "clean fuel vehicle" means:**
8 (1) an alternative fuel vehicle;
9 (2) an electric vehicle; or
10 (3) a hybrid vehicle;
11 **that is manufactured in the United States by a company with a**
12 **United States headquarters.**
13 **Sec. 3. As used in this chapter, "department" refers to the**
14 **department of state revenue.**
15 **Sec. 4. As used in this chapter, "electric vehicle" means a vehicle**
16 **with one (1) or more electric motors for propulsion. The term does**
17 **not include a golf cart vehicle.**

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1 **Sec. 5.** As used in this chapter, "hybrid vehicle" means a vehicle
2 that:

- 3 (1) draws propulsion energy from both an internal
4 combustion engine and an energy storage device; and
5 (2) employs a regenerative braking system to recover waste
6 energy to charge the energy storage device that provides
7 propulsion energy.

8 **Sec. 6.** (a) As used in this chapter, "new clean fuel vehicle
9 transaction" means a retail transaction occurring after June 30,
10 2009, and before July 1, 2010, involving the:

- 11 (1) purchase of; or
12 (2) entering into a lease agreement (as defined in
13 IC 9-23-2.5-4) for;

14 a new clean fuel vehicle.

15 (b) A transaction is not a new clean fuel vehicle transaction if
16 the vehicle is purchased by the taxpayer:

- 17 (1) at wholesale for the purpose of resale to another person;
18 or
19 (2) in a retail transaction from another person who purchased
20 the vehicle in a retail transaction.

21 **Sec. 7.** As used in this chapter, "pass through entity" means:

- 22 (1) a corporation that is exempt from the adjusted gross
23 income tax under IC 6-3-2-2.8(2);
24 (2) a partnership;
25 (3) a limited liability company; or
26 (4) a limited liability partnership.

27 **Sec. 8.** As used in this chapter, "state tax liability" means a
28 taxpayer's total tax liability that is incurred under:

- 29 (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
30 (2) IC 6-5.5 (the financial institutions tax); and
31 (3) IC 27-1-18-2 (the insurance premiums tax);

32 as computed after the application of the credits that under
33 IC 6-3.1-1-2 are to be applied before the credit provided by this
34 chapter.

35 **Sec. 9.** As used in this chapter, "taxpayer" means an individual
36 or entity that has any state tax liability.

37 **Sec. 10.** As used in this chapter, "United States headquarters"
38 means a physical presence in the United States of a domestic
39 business entity's regular or principal place of business and its chief
40 executive, operating, and financial officers.

41 **Sec. 11.** As used in this chapter, "vehicle" means a self-propelled
42 device having at least four (4) wheels and subject to annual

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1 registration under IC 9-18 as a condition of its operation on the
2 public highways.

3 Sec. 12. (a) A taxpayer that is the purchaser in a new clean fuel
4 vehicle transaction may claim a tax credit as provided by this
5 chapter.

6 (b) The amount of the credit is seven hundred fifty dollars
7 (\$750).

8 Sec. 13. If the amount of the credit provided by this chapter to
9 a taxpayer in a taxable year exceeds the taxpayer's state tax
10 liability for that taxable year, the taxpayer is entitled to a refund
11 of the excess.

12 Sec. 14. A taxpayer may not sell, assign, convey, or otherwise
13 transfer a tax credit provided by this chapter.

14 Sec. 15. If a pass through entity is entitled to a tax credit under
15 this chapter but does not have state tax liability against which the
16 tax credit may be applied, a shareholder, partner, or member of
17 the pass through entity is entitled to a tax credit equal to:

18 (1) the tax credit determined for the pass through entity for
19 the taxable year; multiplied by

20 (2) the percentage of the pass through entity's distributive
21 income to which the shareholder, partner, or member is
22 entitled.

23 Sec. 16. (a) To receive the tax credit provided by this chapter, a
24 taxpayer must claim the tax credit on the taxpayer's annual state
25 tax return or returns in the manner prescribed by the department.

26 (b) The taxpayer shall submit to the department all information
27 that the department determines is necessary for the calculation of
28 the credit provided under this chapter.

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